



## Mission and Installation Contracting Command

# CUSTOMER CONNECTION

APRIL 2011

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### MISSION

The United States Army Mission and Installation Contracting Command (MICC), part of the Army's Generating Force, plans, integrates, awards, and administers contracts throughout the ARFORGEN cycle supporting the Army Commands, Direct Reporting Units, USARNORTH and other organizations to provide the best value for the mission, Soldiers and their Families.

### VISION

The MICC functions as an integral and indispensable partner in accomplishing the Army's mission through contracted materiel and services solutions.

### DISCLAIMER

*Customer Connection* is an official publication distributed quarterly by and for the customers of the Mission and Installation Command. *Customer Connection* is prepared to provide timely, factual information on contracting policies, operations and technical developments within the command. Articles published in *Customer Connection* do not necessarily represent the official opinions of other commands within the Department of the Army.

## End of Fiscal Year 2011

The last quarter of the fiscal year (FY) is definitely the busiest time of year for the Mission and Installation Contracting Command (MICC). The command's contracting offices are focused on the execution of procurement actions, such as issuing solicitations, exercising option periods for recurring contracts, removing excess Operations and Maintenance Appropriation funds from existing contracts, analyzing offers to determine the best value for the Government, and awarding newly funded contracts to ensure all available funds are obligated before midnight on September 30th.

Current fiscal challenges demand strict attention to the DoD's Better Buying Power guidance and aggressive yet efficient execution of each phase of the procurement process. As a result of recent

guidance, lead times for acquiring goods and services has increased to a minimum of 60 days. In order to maximize the savings that are obtained through competition and reduce costs, DoD policy mandates that whenever there is ineffective competition (where only one offer is received in response to a competitive solicitation that is advertised for less than 30 days), it must be re-advertised for an additional 30 days. Further, if the solicitation was publicized for at least 30 days, or has been re-advertised and still only one offer is received, the contracting officer is required to conduct negotiations with the contractor. To avoid significant delays, it is important that the Requiring Activity (RA) work with the contracting professionals to develop requirements that will promote competi-

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Requirement	Total Estimated Dollar Amount	Submission Deadline
<b>New Supplies &amp; Services (including Information Technology)</b>		
Non-Commercial	>\$150K to \$25M	30 April 2011
Commercial Items	>\$6.5M to \$25M	30 April 2011
Commercial Items	>\$150K to \$6.5M	13 May 2011
Commercial & Non-Commercial Items	Up to \$150K	11 July 2011
Orders against Multiple Award Indefinite Delivery Indefinite Quantity (IDIQ) Contracts (Army/DoD)	Over \$150K	06 July 2011
	Up to \$150K	03 August 2011
Delivery or Task Order against Single Award IDIQ and Requirements Type Contract (Army/DoD)	All	15 August 2011
Orders under Non DoD Contracts (GSA, VA and other agencies)	Over \$150K	24 June 2011
	Up to \$150K	25 July 2011
Supply	\$3K & Below	Use GPC
Services	\$2,500 & Below	Use GPC
<b>Construction</b>		
Construction, Repair and Maintenance	\$2K & Below	Use GPC
Construction, Repair and Maintenance	Over \$2K	31 May 2011
Order against Job Order Contract (JOC), IDIQ or Requirements Contract	Over \$150K	15 July 2011
	Up to \$150K	01 August 2011
<b>Exercising Options for Existing Contracts</b>		
Timelines are contract specific and require close coordination with the cognizant contracting office. We recommend a <b>minimum of 3-6 months</b> prior to the expiration date depending on the complexity.		

## *End of Fiscal Year 2011 (cont. from page 1)*

tion and provide the needed goods and services.

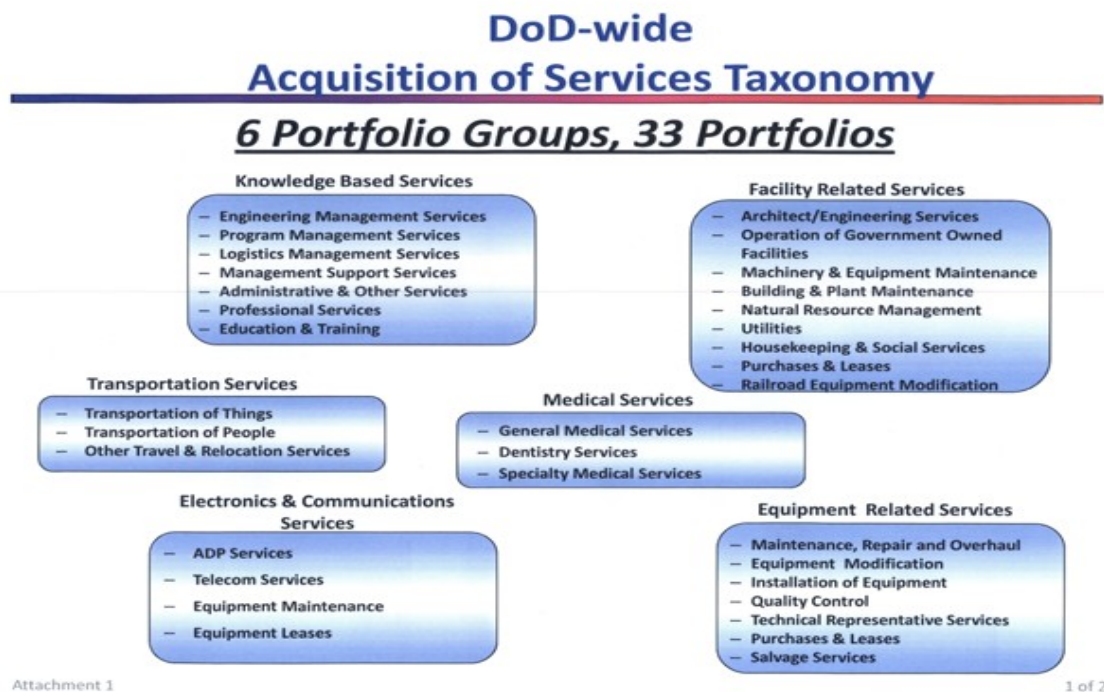
Due to on-going budgetary issues, MICC is expecting more than half of the annual funding for the goods and services to be submitted from July through September. In anticipation of the heavy workload at the end of the fiscal year, MICC has established timelines to ensure that your requirements that are supported by expiring funds are met in a way that best helps accomplish the mission.

To optimize efficiency, RAs are strongly encouraged to follow the due dates, or earlier, if possible, in the table when submitting requirement packages, to include those that are "Subject to Availability of Funds" in order to ensure that contract actions can be completed by the end of the current FY. MICC staff is available to assist in determining the best acquisition strategy to meet the needs of the Warfighter, to include identification of existing enterprise contracts that may reduce the acquisition lead

time. In addition, MICC will establish a Year End Fusion Center, to facilitate communications and resolve any issues between the command and its major customers for those requirements that need to be awarded as we close out FY 2011.

It takes a lot of preparation and coordination with numerous customers to make fiscal year end successful requirements. Our collective teamwork is crucial to ensure another successful year.

## *Taxonomy for the Acquisition of Services*



The recent series of Better Buying Power memoranda issued by the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (OUSD(AT&L)) introduced initiatives and implementation guidance on specific categories detailed on a standard taxonomy for services contracts that is consistent with the Product Service Codes (PSCs) as maintained by the General Services Administration. Simply put,

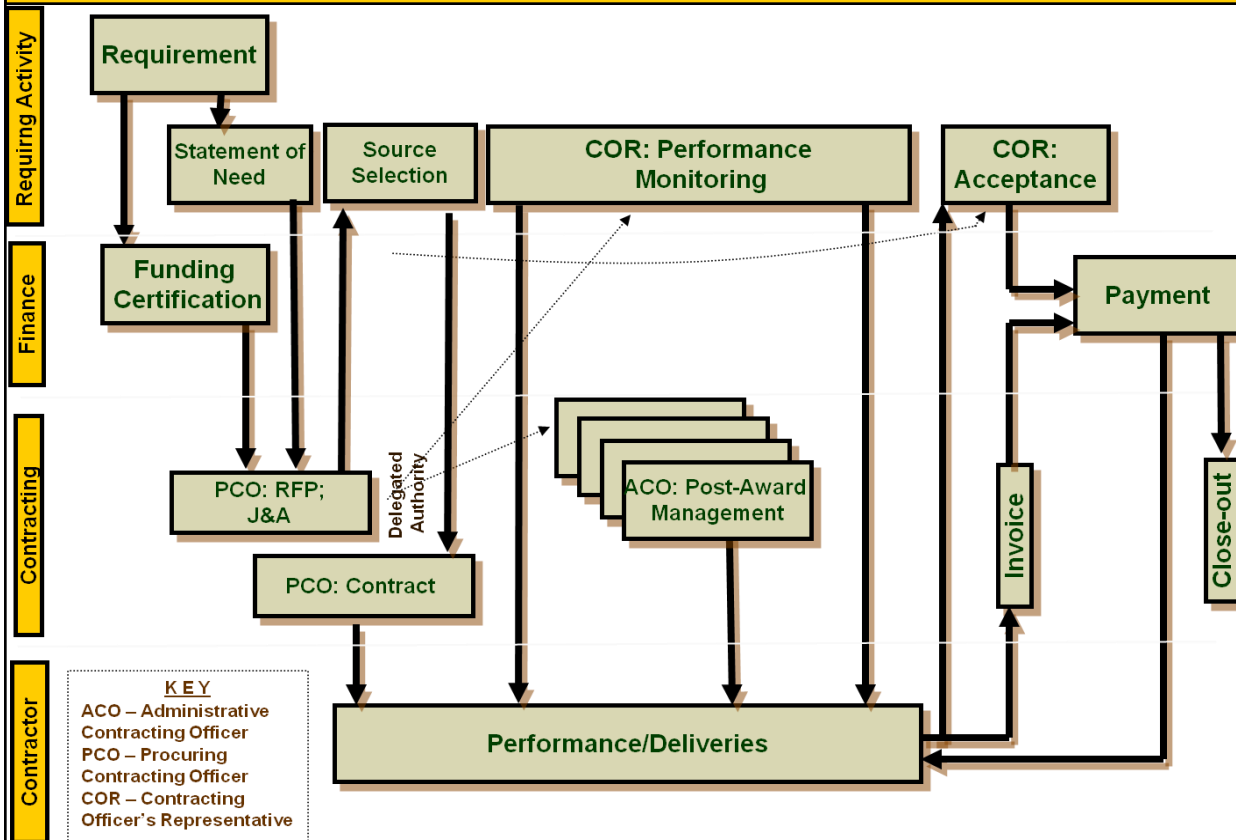
the Department of Defense (DoD) created a logical way to organize services which improves the ability to analyze and share the data commonly used in cost control management.

The OUSD(AT&L) Defense Procurement and Acquisition Policy office followed up with additional guidance in [November 2010](#), detailing the standard taxonomy built upon six major portfolio groups or

categories: Knowledge Based Services, Facility Related Services, Transportation Services, Medical Services, Electronics & Communications Services and Equipment Related Services. These six categories provide a clear taxonomy mapped to the PSCs of the services generally performed in the execution of the Army's mission. Attachment 1 to the November 2010

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## Contracting Is More Than Writing Contracts



OVERVIEW OF THE CONTRACTING PROCESS (COURTESY OF GANSLER COMMISSION BRIEFING)

### Importance of the Contracting Process

Each of us contributes in some way to ensure that the Army is able to fulfill its assigned mission. Often our contribution is part of a multifunctional team effort where the policies and procedures of one functional group take precedence. This is certainly true of the acquisition and procurement processes where the Federal Acquisition Regulation (FAR) and implementing regulations establish uniform policies and procedures for acquiring supplies and services. The term "acquisition" includes the actual procurement of supplies and/or services to meet customers' needs; support for those supplies and/or services, and, ultimately, disposition of the supplies and/or services when they are no longer required.

The contracting process involves all activities associated with identifying and justifying a mission need, formu-

lating a strategy to meet the need, and then implementing the strategy by means of a contractual relationship with the private sector. Although the process consists of a linear sequence of decisions that must be made and steps that must be taken to efficiently and effectively plan for, structure, award, and manage the contract, these actions must be accomplished in an integrated, synchronized, holistic effort between the customer and all levels of the contracting activity. A sound understanding of this process ensures that both the requiring activity and the contracting professionals establish realistic milestones of acquisition events for successfully accomplishing the procurement.

A successful procurement depends not just on the dedication of contracting professionals, but also on the commitment of the entire acquisition team to collectively analyze and de-

fine the requirements, recommend contract terms and conditions, craft a quality solicitation, and monitor the procurement from beginning to end. The acquisition team often consists of requiring activity representatives, contracting officer, contract specialists, technical experts, logistics experts, transportation experts, legal counsel, and a small business representative. Whether the procurement supports a large or small program every acquisition must be a team effort with each member of the team effectively participating. Therefore, establishing and maintaining a good working relationship among the acquisition team members early in the cycle is vital.

The Requiring Activity (RA) has a significant role throughout the contracting process. From defining requirements to providing post award

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## *Contracting Is More Than Writing Contracts (cont. from page 3)*

oversight of the contractor's performance, the RA provides key data and technical insight crucial to developing, awarding, and sustaining a successful contract. The RA identifies, defines, and details its procurement needs on behalf of the Warfighter, to include providing funds. When describing agency needs, the acquisition of supplies or services should be stated in terms of functions to be performed, performance required, or essential physical characteristics. The policy of the Department of Defense (DoD) specifies that for obtaining services the Performance Work Statement (PWS) should focus on desired outcomes. Contracting professionals are available to provide advice and assistance in the development of a PWS, which in turn will enable offerors to clearly understand the Government's needs and then prepare responsive proposals to the solicitation.

### **Planning the Acquisition**

A successful contract begins with good planning. This part of the contracting process identifies not only the requirement and potential vendors, but also the best method to solicit for the requirement and choose the contractor. Market research is critical in today's environment to acquire and maintain better capabilities faster and cheaper. An effective market research leverages the expertise of the members of the acquisition team when collecting and analyzing information about the capabilities of the commercial sector to satisfy the Government's requirement to include technological advances, small business opportunities, performance metrics, standard business practices, and associated pricing.

DoD policy is to promote and provide for full and open competition as required by Federal law. Under certain statutory exceptions, however, offers may be solicited on a less than full and open basis if this approach is essential in fulfilling the requirement. In most cases, the requisite rationale

will be contained in a Justification and Approval (J&A) document. If the J&A is approved, then the PCO can proceed to award the contract noncompetitively.

### **Conducting the Solicitation**

Requests for proposals (RFPs) are used to communicate the requirements to prospective contractors and to solicit proposals. At a minimum, RFPs shall fully describe the Government's requirement, anticipated terms and conditions, information that must be contained in the offeror's proposal, and the evaluation criteria. The PCO will identify and incorporate the appropriate clauses and provisions into the various contract sections based on the Acquisition Plan and the Acquisition Strategy, if applicable. Subject solicitation terms and conditions are intended to minimize performance, cost, and schedule risks in a contract.

After prospective vendors submit proposals in response to the solicitation, the source selection process commences to meet the following objectives: ensure an impartial, equitable, and comprehensive evaluation of the offerors' proposals and select the offeror whose proposal is considered to be the "best value" to the Government. Although the ultimate responsibility for conducting a proper evaluation lies with the PCO, RA representatives assigned to the source selection process play a significant role in evaluation of proposals, award recommendations, and debriefings to unsuccessful offerors. If the solicitation is challenged, the PCO, legal counsel and RA representatives will work together to defend it.

### **Post Award Administration**

Contract management is the essential post-award contracting function to ensure mission accomplishment and it is an important control over fraud, waste, and abuse. From writing modification requests to authorizing orders to stop work to determining

whether a contract action is failing and taking appropriate actions, properly managing a contract requires attention and awareness from all members of the acquisition team. Once a contract is awarded, the Government must ensure that the contractor delivers what it promised in its proposal. Contract oversight and surveillance is a shared responsibility of the contracting professionals and the RA. A properly trained Contracting Officer's Representative (COR) provided by the RA serves as the ACO's eyes and ears during contract performance.

The contractor bills for services satisfactorily rendered/supplies delivered IAW terms and conditions of the contract. Before the Government can disburse payment to the contractor, the COR and/or ACO must first accept the services/supplies. The contract is physically complete only after deliveries and/or services have been satisfactorily completed by the contractor and accepted by the Government; all claims, if any, have been resolved; and, final payment has been made to the contractor is the contract file ready to be closed out.

Although the contracting process may appear complex, it actually consists of logical steps designed to ensure that the RA obtains the supplies and services it requires to accomplish its mission while simultaneously affording competitive opportunities to potential vendors and maintaining stewardship of taxpayer funds. Contracting professionals work closely in an integrated collaboration with members of the acquisition team to accomplish the procurement in compliance with the governing rules and expedite both contract award and delivery of supplies and services. With positive teamwork and frequent communication among all of the key participants in the contract process, potential delays and interruptions can be mitigated if not altogether eliminated and a successful, timely procurement achieved.

## Interim or Bridge Contract Actions

“Interim” or “bridge” contracts as well as contract extensions are noncompetitive actions that continue contract performance with the intention of preventing a gap or a shortfall in needed services or deliveries. These noncompetitive actions are highly discouraged and should not be a substitute for proper acquisition planning. If a short-term “Interim” or “bridge” is necessary, these contracts must be limited to the period of time necessary to award a competitive follow-on action and must be properly justified

and approved at the appropriate level. Advance acquisition planning between the MICC and its customers is required to minimize the use of these non-competitive contract actions. To achieve this objective, the responsible Director or contracting officer will establish aggressive, but realistic acquisition milestones for each acquisition valued at or above \$5.5M, using timelines in the approved Milestone Tracking Reports; share those milestones with their customer’s leadership; monitor the progress of the acquisition

and, if necessary, immediately report, via the CCIR process, any actual or potential deviations that jeopardize the established milestones. When schedule slippages are projected, the MICC and its customers will identify any efforts that will allow the commands to adhere to the original milestones, if possible (e.g., streamlining review processes; conducting concurrent reviews, etc). If the milestones must be adjusted, then a revised MTR will be published and monitored, accordingly.

## Contractor Manpower Reporting

In January 2005, the Secretary of the Army established the [Contractor Manpower Reporting Application \(CMRA\)](#) in order to improve the visibility of the contractor service workforce in support of Army missions. The Contractor Manpower Reporting (CMR) initiative was developed to capture information on funding source, types of contracting tools used, nature of support, effort contributed by contracts for services and associated costs. Accordingly, the Army has directed requiring activities and their supporting contracting offices to include CMR requirements as a deliverable in all new contracts, task/delivery orders and bilaterally modified contract actions when the Army provides funds, serves as the executive agent, or otherwise benefits from the contracted services. CMR enables the Army to determine and better account for the composition

of the workforce, avoid potential redundancies and provide optimal oversight.

The contracting officer reviews each requirement to determine its applicability and ensure that the CMR language is included as part of the performance work statement or statement of work whenever required. Contractors are required to report their contract data annually NLT 31 October for the work performed during the preceding fiscal year only through the CMRA website.

To access CMRA, users should go to <https://cmra.army.mil>. After reading the Disclaimer, the user will click “I Agree” in order to use the application. All users must log in using their Username, Password, and selection of User Role: Contracting Officer’s Representative, Requir-

ing Activity Manager, Resource Manager, Contractor, Subcontractor, Contracting Officer. Each user role will have certain permissions to view and edit specific contract data. New users are required to complete a registration process by clicking on the “Register for your new CMRA Account” link on the Log-In screen.

While formal training on CMRA is limited, there is an online demonstration that illustrates the capabilities of the web-based data collection application. The [CMRA website](#) also contains various user manuals for each user role. The help desk may be reached at 703-377-6199 or [contractor-manpower@hqda.army.mil](mailto:contractor-manpower@hqda.army.mil).

The Assistant Secretary of the Army (Manpower and Reserve Affairs) is the [proponent](#) for CMR.

### CONTACT INFO

Please send comments and suggestions to:  
[MICC Customer Connection](#) or  
[MICC.CC@conus.army.mil](mailto:MICC.CC@conus.army.mil)

## Taxonomy for the Acquisition of Services (cont from page 2)

memorandum begins with a chart laying out 33 portfolios grouped into six categories. [Attachment 2](#) provides a detailed breakout cross-walking approximately 1,400 PSCs with the product or service description into the appropriate portfolio and portfolio group.

For example, a pest control requirement can be mapped as follows:  
Product or Service Description: Insect and Rodent Control Services  
PSC: S207

Category: Housekeeping Services  
Portfolio: Housekeeping & Social Services  
Portfolio Group: Facility Related Services

Attachment 2 of the memorandum addresses virtually all categories of service in a searchable format that should prove essential to the implementation of the Better Buying Power initiatives. Please use the DoD Acquisition of Services Taxonomy chart to help define your service requirement.

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